

Message Text

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ACTION EUR-12

INFO OCT-01 IO-13 ISO-00 AGRE-00 AID-05 CEA-01 CIAE-00
COME-00 EB-08 FRB-01 INR-07 NSAE-00 SP-02 STR-04
TRSE-00 LAB-04 SIL-01 OMB-01 ITC-01 /061 W
-----050748Z 025328 /23-12

R 041611Z MAR 77
FM USMISSION EC BRUSSELS
TO SECSTATE WASHDC 3106
INFO ALL EC CAPITALS 3213
USDEL MTN GENEVA
USMISSION GENEVA
USMISSION OECD PARIS

UNCLAS EC BRUSSELS 02107

PASS AGRICULTURE ELECTRONICALLY

E.O. 11652:N/A
TAGS:EAGR,EEC
SUBJECT: CHANGES IN EC BUTTER EXPORT SYSTEM

REF: (A)EC BRUSSELS 1953,(B)EC BRUSSELS 1900

1.COMMISSION REGULATION NO. 445/77 MODIFIES EXISTING EC RULES GOVERNING ADVANCE FIXING OF BUTTER EXPORT SUBSIDIES,EFFECTIVE MARCH 3, 1977. EXPORT LICENSES FOR BUTTER WITH ADVANCE FIXING PROVISIONS WILL NOW BE ISSUED ONLY AFTER A DELAY OF 3 DAYS FROM THE TIME OF APPLICATION.THIS DELAY WILL ENABLE THE COMMISSION "TO MONITOR THE QUANTITIES AND DESTINATIONS OF EXPORTS OF BUTTER."

2..THE CHANGE IN EC RULES RESULTS,OF COURSE,FROM THE PUBLIC OUTCRY AGAINST THE HEAVILY-SUBSDIZED SALE OF AN ESTIMATED 36,000 TONS OF EC BUTTER TO THE USSR (REFS.A AND B).IN ANNOUNCING THE ABOVE-DESCRIBED CHANGE IN EC RULES,THE COMMISSION ISSUED A STATEMENT THAT "NO FURTHER REFUNDS WILL IN FACT BE AUTHORIZED
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FOR THE FORESEEABLE FUTURE FOR EXPORTS OF BUTTER TO EASTERN EUROPE." FOLLOWING DEMANDS FROM THE PRESS FOR AN EXPLANATION OF THIS "DISCRIMINATORY" MEASURE,COMMISSONER GUNDELACH BACKED OFF A BIT FROM THIS POSITION,NOTING THAT THE RESTRICTION APPLIED ONLY TO ADVANCE FIXING OF BUTTER EXPORT SUBSIDIES.

3.COMMISSION OFFICIALS ADMIT PRIVATELY THAT THEY CANNOT STOP

SHIPMENTS OF BUTTER TO EASTERN EUROPE SINCE APPLICATIONS FOR EC
EXPORT LICENSES FOR BUTTER DO NOT SPECIFY COUNTRY OF DESTINATION.
ALSO,BUTTER DESTINED FOR THE USSR COULD BE MOVED THROUGH
OTHER COUNTRIES SUCH AS AUSTRIA OR FINLAND.THE OBJECT OF THE CHANGE
IN EC RULES IS NOT TO BAN COMPLETELY SALES TO EASTERN EUROPE BUT
RATHER TO PREVENT LARGE,POLITICALLY UPSETTING SALES SUCH AS THOSE
OF LAST WEEK.
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Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: EXPORTS, LAW, BUTTER
Control Number: n/a
Copy: SINGLE
Sent Date: 04-Mar-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01-Jan-1960 12:00:00 am
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977ECBRU02107
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770076-0697
Format: TEL
From: EC BRUSSELS
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770393/aaaadejs.tel
Line Count: 70
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: a2c8adbd-c288-dd11-92da-001cc4696bcc
Office: ACTION EUR
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: 77 EC BRUSSELS 1953, 77 EC BRUSSELS 1900
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 23-Sep-2004 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3210960
Secure: OPEN
Status: NATIVE
Subject: CHANGES IN EC BUTTER EXPORT SYSTEM
TAGS: EAGR, EEC
To: STATE
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/a2c8adbd-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009